

**SUNRIVER OWNERS ASSOCIATION
BOARD OF DIRECTORS SPECIAL MEETING
SROA BOARD ROOM
AUGUST 3, 2023**

DIRECTORS PRESENT: Clark Pederson, Gerhard Beenen, Scott Gillies, Larry Ishmael, Keith Mobley, Tony De Alicante & Linda Beard

DIRECTOR ABSENT: Julianna Hayes & Bill Burke

STAFF: James Lewis, Keith Kessariss & Jesus Mendoza

The Board of Directors meeting was called to order at 11:00 A.M.

NUMBER OF ATTENDEES: 60

President Beenen addressed the owners in attendance informing them that this is a special meeting being held to address the email that was sent to some owners in regard to the current election for three SROA Board members. The email which came from "Sunriver Concerned Citizens" included the SROA logo/letterhead as well as the SROA mailing address. This gave the appearance that the email originated from SROA. While we do not know if that was the intent of the individuals involved or not, it certainly gave that appearance.

Per direction from the Board, General Manager James Lewis responded, and an email blast was sent to all owners signed up to receive email blasts from SROA. Additionally, information was posted on the SROA website. The Board felt it important to hold a special meeting in an effort to gather input directly from owners specific to this topic.

That is the only item on the agenda today and the Board will not be voting on anything or making any decisions today.

OWNERS FORUM:

Holly Hendricks, 8 Parkland Lane, as Chair of the Nominating Committee commented on how much time the Nominating Committee spent this past year in trying to be true to their tasks which was to come up with a slate of candidates that our membership could choose to help govern our association. An election is supposed to be a fair contest and Ms. Hendricks commented that this election is probably not fair. Additionally, she can't help but think about how all the candidates must be feeling. Ms. Hendricks noted she feels frustrated and irritated by this as she and the committee spent many hours doing their job.

As a member of SROA and a private citizen, Ms. Hendricks noted this email was a misrepresentation and a fraud and that's a problem. Ms. Hendricks thinks there should be an investigation and the person/persons responsible need to take responsibility for their actions. Additionally, if there are financial costs to SROA for having to investigate this and run another election, then whoever is responsible should pay for those costs.

To be eligible to run for an SROA board seat, the candidate must be a member in good standing. To stay on the board, one should continue to be in good standing. An act like this one demonstrates that they are not in good standing, and they have not met their duty of care and their fiduciary duty.

If the email came from a current board member, or if they facilitated the email, then they should lose their

seat. Each committee member and board member are required under the Committee Code of Conduct to conduct themselves in a fair, impartial, and business-like manner. If the person or persons involved in this email distribution are on any board or committee of SROA, then they have demonstrated they have not conducted themselves according to the code of conduct. The email tarnishes the Sunriver brand as a premier residential and resort community.

Ms. Hendricks commented that she appreciates the very difficult position the Board and staff find themselves in and she is very sorry for this. Ms. Hendricks also encouraged the Board to bolster all our processes to diminish the opportunity to cheat in the future.

Corey Roy, 12 Modoc Lane started by thanking the Board for holding this special meeting to discuss the important issue of election integrity. Mr. Roy noted he was appalled to learn that someone has been campaigning for a board candidate under the guise of SROA support having sent out campaign literature using SROA branding and contact information. Sunriver owners have the right to expect clear and fair elections free from undue influence.

Mr. Roy noted the SROA Board of Directors has a reputation as a hardworking model of local governance run by civically minded individuals with the good of the community at heart. This only makes the current state of affairs all the more disturbing.

The job before the Board now is to do what it can to send the message that such behavior will not be tolerated. Mr. Roy noted in conversations with neighbors, it has come to his attention that a member of the Board may be implicated in the distribution of the unethical mailer and if this news is true, it is deeply troubling. Such actions put the integrity of the entire board at stake. In this day and age, it is difficult enough to get people engaged in our civic institutions. When the legitimacy of our democratic processes is called into question, it further erodes everyone's desire to participate.

If SROA does not respond to unethical behaviors in the strongest possible terms, what will prevent other individuals from acting in bad faith in future elections, or indeed, any business that affects our community. This is a serious matter and for the health of our community, it must be dealt with seriously. Mr. Roy does not envy the position that the Board has been placed in. How the Board responds in both words and in deeds will have consequences that reverberate well beyond this election cycle.

Barb Brocker, 5 Cedar Lane, The current issue of misrepresentation of the Board is a serious enough issue. Hopefully, this will be handled clearly and decisively. Digging into the motivation for the misrepresentation and not acting decisively now could lead to potentially bigger PR problems which could be even more damaging to Sunriver. Please act decisively now. We are all listening, and we will hear you.

Gwen Gamble, 34 Fremont Crossing, noted that many know her as the moderator for the candidates forums. Because of that role, Ms. Gamble was privy to some email accounts that present the information that, with a heavy heart, she is sharing today. Ms. Gamble noted she is a Sunriver concerned owner. She is concerned that our current board election has been compromised, that the SROA name and logo were used fraudulently, and that a sitting SROA Board member may be involved. Ms. Gamble thanked the Board for having this special meeting and reported she was in attendance to address the forgery and fraud related to our current board election. A forged document was created and distributed by email to a number of owners stating that the homeowners support only one candidate, Mr. Tiernan. This fraudulent email originated from the email account named, sunriverconcernedowners@gmail.com, with an image of Mr. Ishmael as the profile picture for this account.

Our community is built on trust, respect, and cooperation and it is the responsibility of each board member to uphold these values. When someone breaches this trust, it affects the entire community. Mr. Ishmael's alleged actions have caused significant concerns among owners and have the potential to damage the reputation of the community. Forgery and fraud are grave offenses and should not be tolerated. If left unchecked, these actions can lead to a breakdown in our sense of security and mutual respect that we should have in our community.

David Fretwell, 10 Cluster Cabin, noted his topic is not on the topic at hand which he considers very serious. Mr. Fretwell loves the pathways in Sunriver and provided suggestions for new owners and visitors who frequently get lost in Sunriver. He has seen people with their phones in their hands driving down the roads while tracking on their phones. When he inquired as to what they are doing, the response is they are following what their phone tells them too. Mr. Fretwell has the Gaia GPS app on his phone that can tell him exactly where he is at any given time, and which could be very helpful to visitors and new owners. All the trails are mapped, it's free, and it has all the Sunriver pathways on it. A scan code for the app could be added to the maps people pick up in the community providing them easy access to the app. It might help keep people on the pathways and off the roads.

Mr. Fretwell added he has been an owner in Sunriver for many years and is the trail coordinator for a large homeowners association like this, 9000 acres and 40 miles of trails in Paso Robles California so he appreciates all the effort that goes into keeping the Sunriver pathways up.

Mr. Fretwell also shared his concerns about ebikes and motorcycles, which is something his owners association in California is struggling with too. The large ebikes are an increasing problem in Sunriver. They go way too fast and it's a problem that is getting worse and worse. At his owners association in California, they have posted signs warning people it is a \$500 fine if they are caught. These have been installed in key places in their development and have made a significant difference. Thank you.

Comments submitted prior to the meeting, read into the record by GM Lewis:

Evelyn Nast, 6 Paper Birch Lane, Thank you to the Board for acknowledging that harm has been done to the Board's reputation and credibility by the misrepresented forging utilization of the SROA board letterhead. The Board serves as a representative for the welfare of the entire community. Viability of its leadership is dependent upon its integrity. Whoever or plural, used the SROA board letterhead without the approval of the Board took a power which does not belong to them to further a personal affiliate agenda in an open and non-partisan election. Because this information was both misleading and purposeful, confidence and trust in the SROA Board can only be restored by repair, finding out who misappropriated the Board's letterhead and holding them fully accountable. The culprit must be brought to justice for justice to prevail. This issue affects the integrity of the SROA Board and our community as a whole. We all agree that this was clearly a wrong act, and we hope that the bad actor/actors will in good conscience step forward and take responsibility for the behavior. If they do not, the Board must, in order to retain its credibility, do whatever it must to discover who is responsible for soiling the board's mission and hold them fully responsible in order to not be complicit themselves. Thank you for your attention.

Mark McConnell, 3 Tamarack Lane, I am disappointed in the current election process and the email sent out from an unauthorized source and supporter of Bob Tiernan and suggestion to skew the vote by only casting one vote. I hope that a thorough investigation is being done and if a board member is responsible or even part of the group that did send it out, that they be forced to resign. Thank you.

Second submission from Mr. McConnell: This comment is related to your special meeting on August 3, 2023. Thank you for making this inquiry into this erroneous email that was sent out about the election of

officers. I feel that the board members that were responsible for this action should be asked to resign. Manipulation of local elections should not be tolerated. Thank you.

Tony Selle, 10 Big Sky Lane, Hi, I'm a resident owner and volunteer on the Nominating Committee. Unfortunately, I will be unable to attend the special session tomorrow so I would like to share my thoughts on this topic. These are strictly my own input, not sanctioned by the Nominating Committee. I believe there has been a breach of the oath that each volunteer takes when they serve in any capacity for SROA. The details surrounding the breach are somewhat irrelevant as far as I'm concerned. It really doesn't matter if actions were intentional or not. The result was deception in an election to all Sunriver owners. That a board member is involved in any manner should be offensive to all Sunriver owners. For that simple reason I believe the involved board member should have the good grace to resign. Failing that, I ask the Board to take action and vacate the involved board member's term. Thank you for your consideration.

Sarah Dulak, 37 Fremont Crossing, I'm unable to attend in person, however I wanted to express my concerns of the recent news concerning board member Larry Ishmael. If the profile attached to the concerned citizens' address is indeed Mr. Ishmael's and he was complicit in emailing a false endorsement for a candidate for the board it seems highly inappropriate that he continues to serve on the board. Surely these kinds of actions introduce concerns around election integrity and unfairly influencing the vote. Thank you for your help in conveying this to the Board.

(End of written submissions to the Board.)

Rob Drake, 4 Otter Lane, I am an owner here with my wife Eileen and we are both fiercely offended by what has happened. I served 22 years as an elected official and managed four cities in Oregon and integrity does not get a day off. There's seven days in a week, there should be seven days of integrity. Mr. Drake suggested consulting with the district attorney to see if this is criminal, at the very least it is probably civil and it's offensive. The Drake's bought in Sunriver with the idea that this is a wonderful community and it's disappointing if a board member is involved. The Board should take action and would certainly have the owners support.

Joanne Beck, 9 Big Sky, Gerhard, you said there wouldn't be any decisions made today, that they would be made at the next board meeting. I'm questioning when the election closes and when is the date of your next meeting.

President Beenen responded that the election closes on August 12th and the board meetings are the week after that. Part of the reason for not making a decision today is to not impact the election any further.

Ms. Beck inquired as to what happens if the election results are tainted. President Beenen responded we have consulted with our representing attorneys and at this point in time based on the Consolidated Plan and the Bylaws, we do not have any authority to redo an election. The Board does not have any authority with respect to denying an individual the right to be seated on the board and the reason that it's owned by the owners. What the Board can do, or some of the options we would be looking at, is whether or not to go further with the investigation as some people have suggested. The Board may also need to make changes to our Bylaws to accommodate inappropriate actions like this in the future.

Dave Legg, 18 Topflite Lane, asked if there any possibility "as was suggested earlier" of civil action? GM Lewis responded that in discussing our written rules and the circumstance with our legal counsel, what they suggested is that before any action would be taken by the Board, a thorough investigation would need to be done so that the Board could act based on a report outlining the facts as they can be

determined. That investigation, even if the Board decided today to move forward with one, would not conclude until after the close of the election.

GM Lewis noted that this is not a decision that is up to him, it is up to the Board, and an investigation, if the Board decides to go that way, gives you the basis for making a future decision. With regard to a civil suit, there is what's referred to as use of intellectual property, or trademark infringement when used for inappropriate purposes. There has not been an extensive discussion on that to date with legal counsel, but it can be pursued. At the moment, it's secondary in question.

Dave Legg, 18 Topflite Lane noted his concern that failure to follow through on something like this opens up the use of our intellectual property by other people and we need to protect that.

GM Lewis also noted that there are two people who are allowed to speak publicly or with the press on behalf of SROA. One is the president of the Association and the other is the general manager.

Corey Roy, 12 Modoc Lane, Several people spoke today and actually named a specific individual from the Board, Mr. Ishmael. Mr. Roy was curious to know if those in attendance would have the opportunity to hear from the party who was named to get that individuals point of view on what occurred. President Beenen responded that yes, there will be some discussion.

Sandra Henderson, 10 Big Sky Lane, noted that there has been a tremendous amount heard today about a rogue board member potentially impacting not just our elections, but the overall integrity of our community and she is curious as to what authority the Board has to address such behavior.

Jim Tyvand, 2 Thrush Lane, asked if the Board is aware of how many of these emails went out and where did the list they used come from? Was there a breach in the SROA data system where somebody had unauthorized access? President Beenen responded that it was sent out on a personal list created outside of SROA. It is an existing list, and we believe it was sent to approximately 100 people.

Dave Legg, 18 Topflite Lane, asked if the email that was sent out could be read into the record?

Per instruction from the President, GM Lewis read the following into the record noting the email started with the SROA logo at the top of the page:

“It is election time for the SROA Board. Now you should have your ballots for the SROA Board of Directors special election. The future of Sunriver depends on properly choosing future board members who will properly represent you, the owners. We recommend voting for just one candidate, Bob Tiernan (you can vote for one, two or three candidates). Please fill out your ballots and drop off at the drop box at Sunriver Owners Association headquarters in their entryway.”

It closes with: Sunriver Concerned Owners, PO Box 3278 (which is SROA's PO box).

President Beenen by way of clarification noted that owners do have the choice of voting for one, two or three candidates. Any of those choices is appropriate.

Evelyn Nast, 6 Paper Birch Lane, noted the issue is not who can vote for what, the issue is that somebody used the SROA letterhead inappropriately and without permission. Since Mr. Ishmael has been named as someone involved, it's reasonable that we would have a conversation about that rather than talking around as though Mr. Ishmael was not in attendance. That would be a reasonable thing to do. President Beenen responded that when we get into the board discussion, we will address that.

Nancy McGrath, 2 Sisters Lane commented she thinks it is equally immoral that the SROA letterhead and the mailing address were used as both were the incorrect thing to do.

Barb Brocker, 5 Cedar Lane, noted it's also unfortunate for those who voted early, had they been aware of this they might have voted differently and now it's too late.

Doug McKenzie, 5 Awbrey Lane, Asked for a description of the procedure and timeline for addressing the board bylaws with reference to the fact that the election closes on the 12th and is there the potential that those bylaws can be addressed at today's meeting? President Beenen responded that there would not be any changes approved to the Bylaws today. That requires a fair bit of discussion along with a comment period, if the board chooses, for up to 60 days, followed by action by the Board.

Gloria Rasmussen, 21 McNary Lane inquired as to if there is an option in SROA governing documents for a recall of a board member?

GM Lewis responded there is a provision in the Bylaws, Article IV, Section 5, Removal: "All or any number of the Directors may be removed, with or without cause, at a meeting called expressly for that purpose, by a vote of the majority of the members entitled to vote at an election of directors.

GM Lewis noted that this is an unprecedented situation so we will want to work with our legal counsel to make sure his understanding is correct. As he understands it, the Board would need to call a special meeting with the agenda being specific to that purpose. The members/owners that attend that meeting are able to vote on the issue, and it is effectively a recall vote.

Daryl Beck, 9 Big Sky Lane, noted there seems to be a real sense of urgency to do something to rectify the ill behavior of a board member rather than let time pass and try to roll back the clock. In his opinion, this should be the most important thing the Board needs to deal with.

President Beenen opened the discussion up to the Board members in attendance beginning with Director Ishmael.

Director Ishmael reported that "the email was sent to 101 people from a list of people who are supporters of Bob Tiernan's, not political supporters, but friends. It was difficult to disseminate between those who live in Sunriver and who don't. Hence, at the subject line was the Sunriver Owners Association to call attention to what the subject was in the email.

Clearly it stated at the bottom that was from Sunriver Concerned Owners. There was no intent to deceive anybody. One person turned over the letter to James Lewis because they misunderstood the intent of the letter. One person, 40 of whom were Sunriver owners, out of 101 people spoke up which is less than 1% of Sunriver owners.

GM Lewis contacted the Board with the information that had been brought to his attention saying this was egregious, blah, blah, blah and immediately we changed the header, removing the SROA logo and SROA mailing address and resent the note out, within minutes of receiving his email. The next day, James unintentionally gaslit all of you guys by sending out the email blast addressing the situation."

Director Ishmael went on to say that it was never intended to influence the general population on the election. "This is a nothing burger, you guys are, it's like playing telephone when you are a kid and you pass along the secret to other people and Gwen, you're the worst at this, by getting everybody all excited

about something without investigating the facts.” Director Ishmael commented he is not going to admit who sent it, but it was sent from his account, so he takes the responsibility. Director Ishmael further commented he does not intend to resign from the board, as he feels he did nothing wrong.

Dave Legg, 18 Topflite Lane, noted that he had already heard about it prior to anything being sent out by the general manager.

Jay Smith, 29 Cypress Lane, commented that he received the original email directly and he is not a supporter of Bob Tiernan, so he is not completely sure why he received it and Director Ishmael is incorrect when stating that it was only sent to supporters of Mr. Tiernan. Director Ishmael responded that Mr. Smith is a unique person in that regard.

When pressed as to why he would use a letterhead that did not belong to him, Director Ishmael responded “I have a Constant Contact account with various organizations that I work with set up on it including 66k email addresses. Various people have access to that account. Whenever a notice is sent out to whatever organization it is, in the subject line we always have what it is. For example, we had a meeting one time about homelessness around Sunriver. That was the subject line, just like the Sunriver Board of Directors was a subject line. It was not intended to fool anybody, why would I have put, or we have put Sunriver Concerned Owners in there if we thought that people were thinking it was from the Board of Directors.”

Director De Alicante was asked if he had anything to add and noted he appreciates the comments he did hear, having arrived a few minutes late. He further commented that he is digesting all the information being heard and as an attorney understands that a full investigation into the matter will take time. Director De Alicante had no other comment at this time.

Director Beard commented that she needs time to think things over and has no comment.

Director Gillies said that he has read Director Burke’s submission to the Board and agrees with what Director Burke said so he won’t repeat all of those points as the Board will hear that input soon. Director Gillies agrees with many in the audience that this definitely affects the integrity of the Board, and he thinks we need to do something about it. What we can and cannot do remains unclear, but Director Gillies is interested in finding out what options are available to the Board and the membership. Director Gillies believes the Board owes it to the community to react to and do something about this and not just sweep it under the rug.

Director Pederson commented that being one of the candidates running in this election makes it more difficult as to what kind of position to take in regard to the election outcome. Director Pederson’s hope would be that the owners would see that even though the logo was used inappropriately that they would realize that is not what SROA would do, and the hope is that it will not affect the election. We have to trust our voters. On the other hand, the action was inappropriate, and we can’t just ignore it, so it makes it a very difficult matter to decide how to approach the next steps.

Director Mobley, as a retired lawyer, noted that lawyers are charged with avoiding even the appearance of impropriety. Based on what the Board has heard today, there does appear to be some impropriety. Perhaps it can be explained to the satisfaction of most, perhaps not all, but there is an opportunity for further explanation. It is Director Mobley’s belief that in matters of this kind, which he has experienced before, legal counsel should be retained to get the facts and provide a legal recommendation. Based on what he has been heard today, Director Mobley believes this is a circumstance where a full development of the facts would be very helpful.

Vice President Burke emailed his comments that he would like to have read into the record as he is currently flying home from South Africa.

“My apologies for not being able to attend in person. I would like to thank all the owners in attendance for sharing their concerns today, all those attending by Zoom and those viewing the recording at a later date.

The Board of SROA is governed by our Bylaws, to allow for fair elections, no interference or influence by the Board or others. That is why we have both the Nominating and Election committees. SROA, by way of the Board does not endorse specific candidates or otherwise make efforts to influence elections for board members.

Like other owners, I’m disappointed, angered and appalled that anyone would, without authorization, use SROA letterhead and return address to inappropriately influence an election and tamper with our free and transparent election process. Like many of you, I’m concerned about the harm these actions may have done to our owners, our community, Sunriver’s reputation, our volunteers on the Nominating and Election committees, Sunriver You Candidate Forums, and community trust.

In my opinion, it does not appear that these efforts are simply an act of incompetence or carelessness. At the least, it demonstrates a lack of ethical behavior in moral compass on the part of whoever may be involved. Personally, I would like to know, if at all possible, who is behind it, not just who pressed the send button.

We do not know what effect these actions may have had in the current election, perhaps we will never know. What I do believe is that your Board has a fiduciary responsibility to all owners to pursue the truth. Why would we not pursue that? Other questions remain. Why was the bogus note sent to selected owners, what owners was it sent to and why, and if we do not respond to this behavior and stand up to the bully as it were, why would we expect more ethical behavior in the future.

Moving forward, it appears we must conclude, the current election we do not have do-over provisions in our Bylaws, again who knows how the election results have already been impacted one way or another. However, I would be supportive of a fair, independent, third-party investigation into the matter. More deliberate discussion would need to occur to identify the scope, framework, and potential duration of such an investigation. I acknowledge that such an investigation may not be conclusive including the actual motives of the individuals.

Secondly, I would like to encourage further discussion about the potential to include a do-over provision our Bylaws.

Thank you for the opportunity to share my point of view.”

GM Lewis addressed some questions regarding the email that was sent out by SROA addressing the original email from Sunriver Concerned Owners that was sent out using SROA’s logo and mailing address. GM Lewis noted he works directly for the Board of Directors. GM Lewis conveys information back and forth to the Board on the day-to-day operations of the Association. Part of the capacity of GM Lewis’ job is managing the communications that come to and from SROA. In this instance it was the use of SROA’s logo and address. When this issue was brought to the general managers attention, and it is a significant issue illustrated by the number of owners in attendance at today’s meeting, GM Lewis did not know if it had been sent to one, or part, or to all 4200 property owners. In his capacity he was obligated to convey a corrective message to Sunriver owners. The message was to clarify that the original email sent

out supporting only one candidate did not come from the Sunriver Owners Association and was not an authorized email.

John Salzer, 7 Mt. Adams Lane, noted he is a long-time Sunriver resident and has listened to everyone's comments today. Addressing Director Ishmael, Mr. Salzer commented that he does not know Larry personally, but having also served on the SROA Board, he knows the Board has enjoyed a good reputation over the years. To him, the easy way to fix this issue for both Director Ishmael and the community would be for Director Ishmael to resign. The reason is that Director Ishmael's effectiveness is going to be minimal from now on. If you, Director Ishmael, choose to stay on the Board you must know you have lost the support of the people in the audience today and others. Even if you believe you are right, Mr. Ishmael, and no harm has been done, the perception is that something went wrong. Mr. Salzer encouraged Director Ishmael to man up to it, even if you truly believe you did nothing wrong, for the good of the Board and the good of the community, you should agree to resign.

Dave Legg, 18 Topflite Lane, in response to Director Ishmael's statement that this was never intended to mislead the public into thinking the email was coming from SROA, the impression, intended or not, which Sunriver owners were left with was that the email had originated from SROA. Mr. Legg believes it was both inappropriate and intentional.

Daryl Beck, 9 Big Sky Lane, felt that Mr. Ishmael's comments sounded like this was simply an administrative mix-up, but Mr. Beck thinks it sounds more like it was intentional miscreant behavior. Director Ishmael responded that is not correct.

Frank Brocker, 5 Cedar Lane, believes this is a real challenge for the Board and it would seem that the real issue is whether definitive and definite action by the Board is taken and communicated clearly to the community. This is your challenge, your responsibility and definitive action is needed as soon as possible.

Corey Roy, 12 Modoc Lane, commented it sounds like the path forward for the Board has a lot of caution built into it, similar to a legal process, looking for motive and intent, looking for beyond a reasonable doubt. Mr. Roy requested that if the Board feels like this is something that will drag on for weeks or months, the option proposed earlier from the Bylaws in which the owners who attend a meeting called for the express purpose of this item to vote on whether or not Mr. Ishmael be allowed to remain on the Board, be enabled as soon as possible.

Bob Stillson, 10 Belknap Lane asked if the candidate in question has been heard from to which both GM Lewis and Nominating Committee Chair Holly Hendricks responded that Mr. Tiernan has not been in touch with either of them. Director Ishmael responded that Mr. Tiernan was not aware of this whole issue.

Gloria Rasmussen, 21 McNary Lane, commented that her understanding is that there is an option, and that option doesn't require legalization. We have an option in our Bylaws for a recall which must be initiated by the Board followed by the owners opportunity to respond. Why carry this on for months and months when the gentleman has already admitted his involvement was there. Clearly the majority of those in attendance today would be supportive of removing Director Ishmael from the Board. Something wrong has been done, the gentleman has admitted it and it's time for us to admit our lack of trust and sustainability for that trust.

GM Lewi noted that from a procedural issue, in talking with our legal counsel, we have this provision in the Bylaws, but again, this is unprecedented so therefore there is also a planned community statute that applies, and it is very specific as to how directors are elected and/or removed. There are a variety of things within the state law that we must comply with prior to any action being taken. While we

understand what is in the Bylaws, we also want to get a legal perspective to ensure we are in conformance with state law.

President Beenen added that despite the healthy turnout for this meeting, this is but a very small subset of the total ownership and while we very much appreciate you putting in the time and effort in coming here and giving us your perspective, as the Board we have to represent all owners. This is one of the reasons why we can't just immediately act.

Ken Arnold, 1 Cypress Lane, noted one thing he has not heard come up in this conversation is in regard to the logo. Most large companies do everything in their power to protect their logo and brand and if you use their logo without authorization, there is a penalty for doing so. Mr. Arnold urged the Board to use the same means that other companies use to protect the SROA logo in the future. Mr. Arnold also commented that Mr. Tiernan is a professional politician, and as such this just doesn't pass the smell test to him.

Pat O'Malia, 1 Muskrat Lane, urged the Board to state what the timeline for an investigation would be so that owners have some level of expectation, and the Board would also have effectively, a goal to work to.

President Beenen responded that for anyone who arrived late to this meeting, the purpose today was to gather information. At the next regular board meeting, we will have a more in-depth discussion about what the next steps will be.

Director Pederson inquired as to whether or not observers are allowed to watch the ballot counting. Election Committee Chair Patty Smith responded that the only others allowed have been the auditors who have been retained for some elections to do a second count of the ballots. This is generally been when there is a money measure on the ballot. We have not had the auditors here when the election is just for board members.

There being no other business, President Beenen asked for motion to adjourn.

Director De Alicante moved to adjourn the meeting. Seconded by Director Beard, motion passed unanimously.

The meeting was adjourned at 12:12 P.M.

Respectfully Submitted,

Scott Gillies, SROA Secretary